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IN REPLY REFER TO:

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OFFICE OF THE SECRETARY

CN9304185

Mr. David Odle
District Manager
Tennessee Telephone Company
302 E. Main Street
P.O. Box 610
Parsons, TN 38363-0610

Dear Mr. Odle:

This responds to your letter of August 27, 1993, addressing the 2 GHz Personal Communications Services (PCS) proceeding, GEN Docket No. 90-314 Congressman Don Sundquist forwarded to the Commission your correspondence which supports a PCS licensing structure that permits small and rural telephone systems to provide PCS in their own service areas.

On September 23, 1993, the Commission adopted final rules to govern PCS as well as a Notice of Proposed Rule Making seeking comment on competitive bidding rules to be used to select PCS licensees. The Commission allocated a total of 120 megahertz of spectrum for licensed PCS and will permit most applicants to aggregate up to 40 megahertz of this spectrum. The Commission will also allow most applicants to aggregate service areas to create regional or nationwide networks. Local exchange carriers are permitted to apply for PCS licenses on the same basis as other applicants. Applicants who own twenty or more percent of a cellular company, however, are limited to 10 megahertz in a PCS service area if the cellular company serves 10 or more percent of the population of that service area.

The Commission adopted 492 local service areas based on Basic Trading Areas (BTAs) and 51 regional service areas based on Major Trading Areas (MTAs). The 120 megahertz is divided into two 30 megahertz MTA blocks, one 20 megahertz BTA block, and four 10 megahertz BTA blocks. In a companion Notice of Proposed Rule Making, PP Docket No. 93-253 the Commission proposed licensing preferences in one 20 megahertz and one 10 megahertz frequency block for rural telephone companies, small businesses, and businesses owned by minorities and women.

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Mr. David Odle 2.

The Commission's decisions addressing PCS are designed to foster competition among PCS providers and between PCS providers and cellular radio operators and to ensure expeditious provision of PCS in both urban and rural areas. I am attaching the press releases for the dockets addressed above that more fully describe the Commission's actions.

Sincerely,

Thomas P. Stanley Chief Engineer

Thories O Starling

Enclosures

JON SUNDQUIST

COMMITTEE.

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Congress of the United States

House of Representatives

Washington, DC 20515-4207

10-8-93

90-314

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4185

The concerns of my constituent are being forwarded to you for your information. Please respond directly to my constituent. Thank you for your assistance.



Tennessee Telephone Company

August 27, 1993

The Honorable Don Sundquist U.S. House of Representatives 339 Cannon House Office Building Washington, D.C. 20515-4207

Dear Representative Sundquist:

I was disturbed to hear that the Federal Communications Commission was considering limiting or precluding exchange carriers from offering PCS/PCN services.

I have written the FCC (copy attached for your information) stating my thoughts on this matter.

Please consider my views and provide any assistance that you can.

I appreciate your help in the past and I am,

Sincerely yours,

G. David Odle,

District Manager

TENNESSEE TELEHONE COMPANY

GDO/rl

Attachment



Tennessee Telephone Company

August 27, 1993

Mr. William Caton
Acting Secretary
Federal Communications Commission
1919 M Street, N.W., 2nd Floor
Washington, D.C. 20554

Dear Secretary Caton:

It is my understanding that the FCC is considering limiting or precluding exchange carriers from offering PCS/PCN services.

Being a rural exchange carrier, dedicated to universal service, with the technical expertise and local distribution network in place to rapidly deploy PCS, I think this limitation or exclusion is extremely unfair for us and our subscribers.

We, as exchange carriers, have demonstrated that we can work together in creating and administering a seamless network through business arrangements.

PCS would allow us to offer new radio based services to our customers, expanding and enhancing these services to rural and isolated areas, and providing them the greatest efficiency benefits from our existing and developing network infrastructure.

In this year's Budget Reconciliation Bill, the Congress mandated the FCC to ensure that small businesses and rural telephone companies be given the opportunity to participate in the provision of spectrum based services.

I urge the Commission to reconsider the exchange carrier limitations from PCS/PCN offerings.

Sincerely,

G. David Odle,

District Manager

TENNESSEE TELEPHONE COMPANY

GDO/rl

cc: Senator Jim Sasser
Senator Harlan Mathews
Representative Don Sundquist